

Justification
Self-Employment/Corporate Officer Work and Earnings Monitoring
RRB Form G-252

1. Circumstances of information collection – Section 2 of the Railroad Retirement Act (RRA) provides for the payment of age and service, disability, and supplemental annuities to qualified employees. After an annuitant begins receiving an annuity, Section 2 also provides that an annuity is not payable or is reduced for any month in which the annuitant works for a railroad or earns more than prescribed dollar amounts from either nonrailroad employment or self-employment. Certain types of work may indicate an annuitant's recovery from disability. The provisions relating to the reduction or nonpayment of annuities by reason of work and an annuitant's recovery from disability for work are prescribed in 20 CFR 220.17-220.20.

Some activities claimed by the applicant as “self-employment” may actually be employment for someone else (e.g., training officer, consultant, salesman). An applicant is not self-employed if working in an incorporated business since the corporation is the applicant's employer. These requirements are described in 20 CFR 216.

In addition, the Railroad Retirement Board (RRB) conducts continuing disability reviews (also known as a CDR) to determine whether the annuitant continues to meet the disability requirements of the law. Payment of disability benefits and/or a beneficiary's period of disability will end if medical evidence or other information shows that an annuitant is not disabled under the standards prescribed in section 2 of the RRA. Continuing disability reviews are generally conducted if (1) the annuitant is scheduled for a routine periodic review, (2) the annuitant returns to work and successfully completes a trial work period, (3) substantial earnings are posted to the annuitant's wage record or (4) information is received from the annuitant or a reliable source that the annuitant has recovered or returned to work. Provisions relating to when and how often the RRB conducts disability reviews are prescribed in 20 CFR 220.186.

2. Purposes of collecting/consequences of not collecting the information – The RRB's Office of Inspector General (OIG) has shared insights with program management about fraud related to Subchapter S Corporations stating that over a number of years the OIG had obtained approximately 40 convictions for individuals who operated such corporations but failed to report earnings as required with recoveries of over \$3 million.

In response, the RRB proposes implementation of **proposed RRB Form G-252, Self Employment/Corporate Officer Work and Earning Monitoring** to enhance agency program integrity activity.

To determine entitlement or continued entitlement to a disability annuity, the RRB will obtain information from disability annuitants who claim to be self-employed or a corporate officer or who the RRB determines to be self-employed or a corporate officer after a continuing disability review. **Proposed Form G-252**, will be a supplemental form to the AA-4, Self-Employment Application (OMB No. 3220-0138), and will obtain additional information from an annuitant who claimed to be self-employed or to be a corporate officer on Form AA-4. It will also be used with initial disability applications, early Medicare applications, applications for a period of disability (disability freeze), as well as continuing disability review determinations, including determinations prompted by a report of work, return to railroad service, allegations of medical improvement, or routine disability review call-up. The information collected will be used to determine initial/continuing entitlement to, and the amount of, the annuity.

Form G-252 will be self-administered. The RRB field office will release the form to the applicant. Instructions for completing and returning the form are provided on transmittal letter Form (RL-252), *Transmittal for Form G-252* mailed with the Form G-252. The applicant will be required to return the completed form to the RRB headquarters in the pre-addressed envelope provided for that purpose.

Proposed Form G-252 was reviewed by staff of the RRB's OIG, General Counsel, and Chief Information Officer and found to be acceptable. Subsequently, the forms were reviewed and approved for use (pending OMB approval) by the RRB's Board Members.

This form is similar to the SSA-4184, Self-Employment/Corporate Officer Questionnaire.

3. Planned use of improved information technology or technical/legal impediments to further burden reduction – Internet processing is not planned at this time due to low usage. Future development will be subject to technology and budgetary constraints.
4. Efforts to identify duplication – This information collection does not duplicate any other RRB information collection.
5. Small business respondents – N.A.
6. Consequences of less frequent collection – N.A.
7. Special Circumstances – None
8. Public Comments/consultations outside the agency – In accordance with 5 CFR 1320.8(d), comments were invited from the public regarding the information collection. The notice to the public was published on page 16876 and 16877 of the April 2, 2010 Federal Register. No requests for further information or comments were received.
9. Payments or gifts to respondents – None
10. Confidentiality – Privacy Act System of Records, RRB-22, Railroad Retirement, Survivor and Pensioner Benefit System. An RRB Privacy Impact Assessment that includes RRB-22 can be found at the following link: <http://www.rrb.gov/pdf/PIA/PIA-BPO.pdf>
11. Sensitive questions – N.A.
12. Estimate of respondent burden - The proposed estimated annual burden for this collection is as follows:

Proposed Burden			
Form No.	Annual Responses	Time (Min)	Burden (Hrs)
G-252	100	20	33
Total	100		33

13. Estimated costs to respondents or record keepers– N/A
14. Estimated cost to the Federal Government – N/A

15. Explanation for change in burden – N/A
16. Time schedule for data collection and publication – The results of this collection will not be published.
17. Request not to display OMB expiration date - The RRB anticipates that Form G-252 will be seldom revised. Given the costs associated with programming, redrafting, reprinting, and distribution of the form in order to keep the appropriate OMB expiration date on the form, the RRB requests the authority not to display the OMB expiration date on the forms.
18. Exceptions to Certification Statement - None.